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2008 Dates to Remember:

Notice of Loss – filed within 15 calendar days of the natural disaster occurrence or the date the damage to the crop or loss of production was apparent

September 1 – NAP Application closing date for value loss crops

September 16 – Deadline to purchase buy-in fee

September 30 – Sales closing date for crop insurance for Forage Production, Winter Wheat and Rangeland

September 30 – 2008 DCP Signup Deadline

September 30 – October 1 – Women Stepping Forward for Agriculture Symposium, Billings

December 1 – NAP sales closing date for Honey



Big Horn County

August 2008

2008 Crop Year Buy-in for Disaster Assistance Programs

The 2008 Farm Bill created several new disaster programs under the title "Supplemental Agricultural Disaster Assistance." These programs include:

- Emergency Assistance for Livestock and Honey bees (ELAP)
- Livestock Forage Disaster Program (LFP)
- Livestock Indemnity Program (LIP)
- Supplemental Revenue Assistance Payments (SURE) Program
- Tree Assistance Program (TAP)

To be eligible for many of these programs, producers must purchase at least catastrophic (CAT) level of crop insurance for all insurable crops and/or Non-insurable Crop Disaster Assistance Program (NAP) coverage for non-insurable crops. Sales closing dates for CAT and application closing deadlines for NAP have passed for the 2008 crop year for all insurable and non-insurable crops. A Risk Management Purchase Requirement waiver has been authorized in the 2008 Farm Bill to allow those wanting to participate in the disaster assistance programs to pay a "buy-in" fee for crops that crop insurance or NAP coverage was not purchased for 2008.

The deadline to pay the buy-in fee is **September 16, 2008**. To be considered to have met the Risk Management Purchase Requirement, a "buy-in" fee in an amount equal to the applicable CAT and/or NAP fee for those crops that currently do not have either a crop insurance policy or NAP coverage must be paid by the close of business on **September 16, 2008**. For **SURE, TAP and ELAP**, a "buy-in" fee must be paid for all crops on the farm that do not have at least CAT level crop insurance or NAP. For **LFP**, a "buy-in" fee must be paid for the grazing land incurring losses for which assistance is being requested. **LIP** is exempt from the "buy-in" fee requirement. The "buy-in" fees for both CAT and NAP (each) are:

- \$100/ crop per FSA administrative county, maximum of
- \$300/producer per FSA administrative county.

2008 Crop Year Buy-in for Disaster Assistance Programs (cont.)

- \$900 maximum for producers with multiple counties (including previous fees paid for coverage)
- "Buy-in" is required for all non-insurable and insurable crops that are not already covered by NAP or crop insurance.
- Those applying for LFP benefits are only required to pay a "buy-in" fee for grazing lands incurring losses for which benefits are being requested.

The 2008 "buy-in" fee is non-refundable and due at the time the CCC-752 and/or CCC-753 is filed but no later than **September 16, 2008**.

All crops must be listed individually on CCC-752 or CCC-753 at the time the buy-in fees are paid.

Persons meeting the requirement of socially disadvantaged, limited resource, or beginning farmers or ranchers do not have to meet the Risk Management Purchase Requirement and are not required to pay the "buy-in" fee. Definitions of these groups are available at the office or by logging on to the Montana FSA Internet site, under "Hot Links" and clicking on Montana Producer Handbook fact sheets.

For the 2009 crop year it is imperative NAP and CAT coverage is purchased timely to be eligible for the disaster assistance programs.

Emergency Loans Available in Certain Counties due to Disaster

The following counties have disaster designations for 2008. Producers in these counties are eligible for emergency loan assistance due to disaster related occurrences:

Beaverhead, Big Horn, Carter, Custer, Deer Lodge, Fallon, Garfield, Granite, Missoula, Powder River, Prairie, Ravalli, Rosebud, Wibaux.

Check with the office for application deadlines.

2008 Acreage Reports Eligibility for Disaster Assistance Programs

To be eligible for the 2008 Farm Bill Disaster programs producers must report all crops in all counties in which the producer has an interest. Producers who timely acquired NAP or insurance coverage on their crops are required to file their acreage reports for NAP crops by **August 15, 2008**.

The disaster assistance requires that **ALL** crops in **ALL** counties be reported. If producers have filed an acreage report but did **NOT** report all crops in all counties in which they have an interest, the producer must visit their county office(s) and add any crops not reported. If producers have not filed an acreage report, but wish to be eligible for the permanent disaster programs, they must file an acreage report for all crops in all counties in which they have an interest.

The final date to revise an acreage report or to file an initial acreage report for the 2008 crop year is **August 15, 2008**. Any revisions or initial filing of acreage reports after that date will be considered late-filed. The late-file fee will be waived for the permanent disaster programs only. Producers have to provide evidence of existence or disposition of crops.

Direct and Counter-cyclical Program (DCP)

Signup for the DCP program began June 25th and will end September 30, 2008. All signatures to shares of the contract must be received by close of business on September 30th. Advance direct payments of 22 % can be requested with final direct payments issued in October 2008. Producers on a farm with a total of 10 base acres or less are not eligible to receive payments on that farm unless the farm is wholly owned by a minority or limited resource farmer or rancher. Commodities covered by DCP include wheat, corn, grain sorghum, including dual purpose varieties that can be harvested as grain; barley, oats, soybeans, canola, flaxseed, mustard, safflower, crambe, sesame seed, rapeseed and sunflowers including oil and non-oil varieties. Beginning with the 2009 crop year, pulse crops, including chickpeas (both Kabuli (large) and Desi (small) Garbanzo beans), dry peas, and lentils will be added as covered commodities.

Critical Feed Use Halted

On July 24th a District Judge issued a permanent injunction against the USDA Farm Service Agency (FSA) Critical Feed Use Program. The injunction is the result of a lawsuit filed by the National Wildlife Federation against FSA stating the agency violated the National Environmental Policy Act by failing to study the environmental impacts of its action before implementing the program.

It is important to note that producers may still complete managed haying and grazing on CRP. There is a 25% reduction in the annual rental payment.

Adjusted Gross Income Provisions

The 2008 Farm Bill continues the administration of the \$2.5 million adjusted gross income (AGI) limitation for all 2008 crop, program, or fiscal year commodity and conservation programs.

2008 program participants may need to file new CCC-526 (2008 Payment Eligibility Average Adjusted Gross Income Certification) forms.

According to the 2008 Farm Bill, new AGI limitations for 2009 will require new forms to be completed by all producers for the 2009 crop year programs.

Contact the office for details.

Hazardous Fuels Reduction Program

Resource Conservation & Development Areas (RC&D's) across Montana have joined forces with Extension Service Offices to assist landowners with creating defensible space around their homes. By doing this, landowners will reduce the risk of catastrophic wildfire and implement management practices that increase forest health.

The program provides technical and financial assistance for landowners to develop and implement a hazardous fuels mitigation plan. Grant funding is available for landowners to assist with cost-share for paying for fuels reduction work (clearing, thinning, and trimming vegetation).

For an RC&D office near you, contact your local Natural Resources Conservation Service Office located in the USDA Service Center.

NAP and Crop Insurance Coverage Imperative

For the 2009 crop year it is imperative to purchase Non-insured Crop Disaster Assistance Program (NAP) and catastrophic (CAT) level of crop insurance for all insurable and non-insurable crops. This is not only for production coverage but also for eligibility for the 2008 Farm Bill disaster assistance programs. **Coverage must be purchased on all crops as well as grazing land.**

For producers to be **eligible** for assistance under the Supplemental Revenue Assistance Payments (**SURE**) Program, Tree Assistance Program (**TAP**) and the Emergency Assistance for Livestock, and Honey Bees, (**ELAP**), producers must obtain a plan of insurance for each insurable commodity on the farm and, for each non-insurable commodity. The producer must file the required paperwork and pay the administrative fee by the NAP closing date of March 15, 2009 for all crops except value-loss and honey. The sales closing date for honey is December 1, 2008.

To be eligible for assistance under the Livestock Forage Disaster Program (LFP), producers must obtain a plan of insurance or file the required paperwork and pay the administrative fee by the NAP closing date of March 15, 2009 for all grazing land in your farm.

The NAP application closing date for value loss crops is September 1, 2008.

According to the 2008 Farm Bill, a farm is defined as the sum of all crop acreage in all counties that is planted or intended to be planted for harvest by the eligible producer.

Please contact the office to ensure your eligibility for the disaster assistance programs by applying for NAP by the application closing dates.

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Important Dates to Remember

Notice of Loss – within 15 calendar days of the natural disaster occurrence or the date the damage to the crop or loss of production was apparent
August 15 – Acreage Reporting Deadline
September 1 – NAP application Closing date for Value loss crops
September 16 – Deadline to pay buy-in fee
September 30 – Crop insurance closing date
September 30 – 2008 DCP Signup Deadline

Final Counter-cyclical Payments

FSA will not be issuing final counter-cyclical payments for wheat, barley, and oats for crop year 2007. This is due to the fact that the effective prices of those commodities exceeded their respective target prices.

The effective price equals the direct payment rate, plus the higher of the national average loan rate or the national average farm price. The target price for the commodities is: 1) Wheat \$3.92; 2) Barley \$2.24; 3) Oats \$1.440. The Effective Price is: 1) Wheat \$7.00; 2) Barley \$4.59; 3) Oats \$2.654. Because the effective price higher than the target price, the final Counter-cyclical Payment Rate is \$0.

The 2002 Farm Bill provided for an advance partial counter-cyclical payment in December 2007 and a final payment after the close of the marketing year if the effective price fell below the respective target price.

Before You Sell Your Grain

It is important for producers to come into the office and sign a CCC-633EZ, page 1 (Loan Deficiency Payment Agreement and Request) before any of the eligible loan commodity is sold. Even though there might not be a Loan Deficiency Payment (LDP) rate in effect at the time of harvest, that does not mean the markets might not support one at a later date. If the CCC-633EZ, page 1 is not on file at the office, the producer must have ownership and control of the commodity at the time the LDP is requested.

Beneficial interest is retained in the commodity if all of the following remain with the producer:

- Title, control, and possession of the commodity and risk of loss.

Beneficial interest is lost once the producer accepts storage fees. After that, the commodity remains ineligible for a loan or an LDP even if the producer regains control, risk of loss, and title.